THE MINISTER OF STATE IN THE DEPARTMENT OF ECONOMIC AFFAIRS IN THE MINISTRY OF FINANCE (SHRI EDUARDO FALEIRO): (a) and (b) There are 196 Regional Rural Banks (Gramin Banks) covering 363 districts functioning in the country. Information relating to coverage of population and villages by these banks is, however, not available.

(c) The working results for the year ended December, 1987 have been available for 194 RRBs. 45 Gramin Banks have earned profits and 149 Gramin Banks have sustained losses.

(d) A number of steps have been taken for improving the performance of these banks and reducing their losses. These are (i) release of additional share capital; (ii) enlarging the scope of their lending by allowing them to lend to public bodies/village panchayats etc.; (iii) lowering of interest rate on refinance provided by the sponsoring banks and (iv) investment of their SLR funds in Govt. securities of better yield. The Govt. has also asked the sponsoring banks to play a more active role in fund management, staff training and internal audit of regional rural banks.

Losses incurred by NTC

879. SHRI CHIMANBHAI MEHTA:
SHRI KAPIL VERMA:
SHRIMATI VEENA VERMA:
SHRI RAM CHANDRA VIKAL:
SHRI RAM JETHMALANI:

Will the Minister of TEXTILES be pleased to state:

(a) what are the figures of financial loss incurred by NTC during the last three years;

(b) whether any plan has been worked out to make the NTC economically viable; if so, what are the details thereof with regard to modernisation, restructuring of management, re-employment of surplus staff etc.;

(c) whether Government are aware that widespread irregularities and mismanagement have adversely affected the working of NTC; if so what are the details thereof; and

(d) what are the details of the advantages being enjoyed by the NTC compared to the mills in the private sector with regard to the supply of raw material, credit, excise duty, etc.?

THE MINISTER OF TEXTILES (SHRI RAM NIWAS MIRDHA): (a) The net loss incurred by NTC during the last three years is indicated below:—

	(Rs. in crores)
1985-86 (Audited)	151.17
1986-87 (Audited)	214.00
1987-88 (Provl.)	266.43

(b) Yes, Sir. NTC has drawn up a mills-specific action plan for improving the functioning of the mills. The surplus workers and staff will, however, be rationalised under the Voluntary Retirement Scheme.

(c) Government is aware of complaints regarding irregularities and mismanagement in the NTC mills. Action, wherever warranted, is being taken. However, it is not possible to give the details of all the complaints received in this connection.

(d) NTC mills do not enjoy any advantages as compared to the private sector mills with regard to supply of raw-material, credit, excise duty etc. except in the case of the cloth produced under certain approved schemes for the production of low priced blended fabrics for the benefit of the weaker sections of the society.